

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

150 NORTH MICHIGAN AVENUE

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580 HOWARD AVENUE
SOMERSET, NEW JERSEY 08873
908-563-2700

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

December 30, 1996

VIA MESSENGER

Mr. Vernon A. Williams
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenues
Washington, D.C. 20423

Attention: Janice Fort, Room 2311

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 48 U.S.C. Section 11301(a) are two original executed copies and two photostatic copies of a Memorandum of Lease Agreement, dated as of December 1, 1996, a secondary document as defined in the Commissioner's Rules for the Recordation of Documents. The Memorandum of Lease Agreement is with respect to that certain Railroad Equipment Lease (the "Lease"), dated as of January 23, 1995, between JAIX Leasing Company as Assignee of Johnstown America Corporation, as Lessor, and Canadian National Railway Company, as Lessee, and Rider 2 to the Lease, dated as of December 1, 1996. A Memorandum of Lease Agreement, dated as of January 23, 1995, relating to the Lease and Rider 1 to the Lease, dated as of January 23, 1995, was duly recorded and filed with the Surface Transportation Board pursuant to 49 U.S.C. §11301 under Recordation Number 19291 and is a primary document as defined in the Commission's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed Memorandum of Lease Agreement are:

Lessor: JAIX Leasing Company
980 North Michigan Avenue, Suite 1000
Chicago, Illinois 60611

Lessee: Canadian National Railway Company
935 de LaGauchetiere Street
Montreal, P.Q.
H3B 2M9

12/27/96
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RECEIVED
SURFACE TRANSPORTATION
BOARD
DEC 30 3 10 PM '96

Mr. Vernon A. Williams
December 30, 1996
Page 2

A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum of Lease Agreement.

Also enclosed is a check in the amount of \$22.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original copy, the two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan F. Lifvendahl at Ross & Hardies, 150 North Michigan Avenue, Suite 3100, Chicago, Illinois 60601.

Following is a short summary of the enclosed document and the primary document to which it relates:

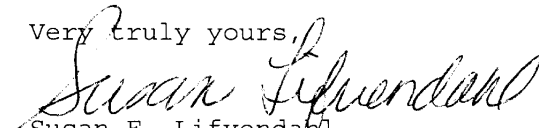
Document to be Recorded

Memorandum of Lease Agreement, dated as of December 1, 1996, between JAIX Leasing Company, as Lessor, and Canadian National Railway Company, as Lessee, relating to the Railroad Equipment Lease, dated as of January 23, 1995, between JAIX Leasing Company as Assignee to Johnstown America Corporation and Canadian National Railway Company and Rider 2 thereto, dated December 1, 1996.

Primary Document to Which it Relates

Memorandum of Lease Agreement, dated as of January 23, 1995, between JAIX Leasing Company as Assignee of Johnstown America Corporation, as Lessor, and Canadian National Railway Company, as Lessee, recorded and filed with the Surface Transportation Board pursuant to 49 U.S.C. §11301 under Recordation Number 19291.

Very truly yours,


Susan F. Lifvendahl

SFL:jma
Enclosures

cc: (w/encl.)
Robert W. Kleinman
Susan G. Lichtenfeld

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001

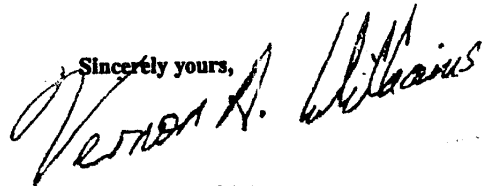
12/30/96

Susan F. Lifvendahl
Ross & Hardies
150 North Michigan Avenue
Chicago, Illinois 60601-7567

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of
the Interstate Commerce Act, 49 U.S.C. 11303, on 12/30/96 at 3:15PM, and
assigned recordation number(s). 19291-C.

Sincerely yours,

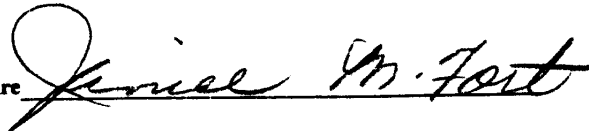


Vernon A. Williams
Secretary

Enclosure(s)

\$ 22.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



14291-C

MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement is made and entered into as of December 1, 1996, by and between JAIX Leasing Company, as Assignee of Johnstown America Corporation, (hereinafter referred to as "Lessor") and Canadian National Railway Company (hereinafter referred to as "Lessee"), respecting that certain Railroad Equipment Lease dated as of January 23, 1995 (the "Lease") and Rider 2 thereto dated as of December 1, 1996 ("Rider 2") between Lessor and Lessee.

Pursuant to the provisions of the Lease and Rider 2, Lessor and Lessee hereby acknowledge and affirm that:

1. For good and valuable consideration, Lessor is leasing to Lessee and Lessee is leasing from Lessor the eight aluminum BethGon coalporter railcars marked CNA 193645 to CNA 193652 (inclusive) (the "Railcars").
2. The term of the Lease for any Railcar under Rider 2 shall commence on the date such Railcar is delivered by Johnstown America Corporation to its connecting railroad carrier for shipment to Lessee and shall terminate no later than January 23, 2000, provided that the Lease may be sooner terminated or extended as provided therein and provided, further, that Rider 2 is subject to a renewal option by Lessee and the Railcars are subject to purchase options by Lessee.
3. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease Agreement is not a summary of either the Lease or Rider 2 nor a complete recitation of the terms and provisions thereof. Accordingly, Lessor and Lessee hereby agree that in the event of a conflict between this Memorandum of Lease Agreement and the provisions of the Lease or Rider 2, the provisions of the Lease or Rider 2, as the case may be, shall control.

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IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Lease Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

JAIX LEASING COMPANY (AS
ASSIGNEE OF JOHNSTOWN AMERICA
CORPORATION)

David W. Fiesmeyer
Treasurer
JAIX Leasing Company

Name: [Signature]
Title:

CANADIAN NATIONAL RAILWAY
COMPANY

Approved
as to form only
[Signature]
Attorney

By: [Signature]
Name: Sean Finn
Title: Treasurer & Principal
Tax Counsel

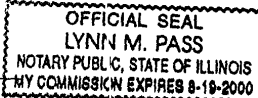
STATE OF ILLINOIS)

COUNTY OF COOK)

SS:

On this 18th day of December, 1996 before me personally appeared David W. Krumpholtz, to me personally known, who being duly sworn, says that he is a Treasurer of JAIX LEASING COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Lynn M. Pass
Notary Public



[NOTARIAL SEAL]

My Commission Expires: 8-19-2000

PROVINCE OF QUEBEC)

DISTRICT OF MONTREAL)

SS:

On this 16th day of December, 1996, before me personally appeared Sean Finn, to me personally known, who being by me duly sworn, says that he is a Treasurer & Principal Counsel of CANADIAN NATIONAL RAILWAY COMPANY, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

John LaMont
Commissioner For Oaths

JOHN LAMONT
Commissioner for Oaths
Commissaire à l'Assermentation
Province of Quebec
Expires September 14, 1998

My Commission expires: 9/14/98